

# CONTROLLER JOHN CHIANG

## STATE OF CALIFORNIA

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## Chiang Issues Statement on Unclaimed Property Injunction

**SACRAMENTO** – California State Controller John Chiang issued this statement following the United States District Court injunction requiring the Controller’s Office to notify owners before unclaimed property is escheated to the State:

“The original purpose of California’s unclaimed property law was for the State to safeguard lost property from being used by private interests for their own gain – and at the same time, make all reasonable attempts to put the property back in the hands of the rightful owners. Decades of policy decisions and statutory changes have created an unclaimed property program that cannot live up to its original intent, and as a consequence, prompted the court to intervene.

“Since I took office in January, I have begun ordering necessary changes to the program to preserve securities and safe deposit boxes until my office can notify individuals that the State has received property it believes belongs to them. I have also sponsored comprehensive reform legislation to restore the program’s integrity on behalf of unclaimed property owners.

“Today’s ruling serves as solid guidance for my office to work with the legislature to fix the unclaimed property law and restore the public’s confidence that their lost property will be safeguarded by the State until they claim what is rightfully theirs.”

California passed its first unclaimed property law in 1959 to protect private property from being lost during mergers, bankruptcies and sales, drawn down by service fees, or used by private interests for personal gain.

Current law prevents the Controller from using state resources to notify all individuals when the State receives their unclaimed property. Shortly after taking office, Chiang implemented the “no-notice, no-sale” rule for stocks and safe deposit boxes, and drafted legislation to reform the Unclaimed Property Law. SB 919 by Senator Mike Machado (D-Linden) would allow for increased notification, restore interest paid on claims, and impose strict rules on banks, financial institutions and other businesses that fail to comply with the Unclaimed Property Law.

To search online for unclaimed property, or view a [fact sheet](#) on SB 919, go to [www.sco.ca.gov](http://www.sco.ca.gov).

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